

WC 04-96

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MAR 17 2004

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Joint Application of

Dominion Telecom, Inc.,

Dominion Fiber Ventures, LLC

and

Elantic Networks, Inc.

Application for Authority Pursuant to
Section 214 of the Communications Act of 1934,
As Amended, to Transfer Control
of Dominion Telecom, Inc. from Dominion Fiber
Ventures, LLC to Elantic Networks, Inc.

File No. ITC _____

WCB Docket No. 03- _____

APPLICATION

I. Introduction

Dominion Telecom, Inc. ("Dominion Telecom"), its parent Dominion Fiber Ventures, LLC ("Dominion Fiber Ventures") and Elantic Networks, Inc. ("Elantic Networks" together with Dominion Telecom and Dominion Fiber Ventures, "Applicants") by and through undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (1982), and Sections 63.04 and 63.18 of the Commission's rules, 47 C.F.R. § 63.04 & 63.18 (2000), hereby request that the Commission grant such authority as may be necessary or required to permit Applicants to transfer control of Dominion Telecom from Dominion Fiber Ventures to Elantic Networks. In particular, Applicants have entered into an agreement whereby a wholly owned subsidiary of Elantic Networks, Elantic Networks Merger Sub, Inc. ("Merger Sub"), will merge into Dominion Telecom, with Dominion Telecom as the surviving corporation

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in such merger. As a result, Dominion Telecom will become a wholly owned subsidiary of Elantic Networks. As part of the merger documentation, the name of the surviving corporation, Dominion Telecom, will be changed to Elantic Telecom, Inc. ("Elantic Telecom"). Elantic Telecom will enter into a management and services agreement (the "MSA") with Cavalier Telephone, LLC ("Cavalier") for Cavalier to operate and manage the network.

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's rules, 47 C.F.R. § § 63.03 & 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the merger (1) None of the Applicants and their affiliates combined will hold more than a ten percent (10%) share of the interstate, interexchange market, (2) Applicants will provide local exchange service, if at all, only in areas served by dominant local exchange carriers (none of which are parties to the proposed merger) and; (3) none of the Applicants or their affiliates are dominant with respect to any telecommunications service. With respect to international authorizations, none of the Applicants are foreign carriers or affiliated with any foreign carriers, as that term is defined in Section 63.09 of the Commission's rules, 47 C.F.R. § 63.09, and none of the other scenarios outlined in Section 63.12(c) of the Commission's rules, 47 C.F.R. § 63.12, apply. Due to market considerations, Applicants are endeavoring to consummate the merger on or before May 1, 2004.

Applicants provide the following additional information in support of this Application:

II. DESCRIPTION OF APPLICANTS AND OTHER RELEVANT PARTIES

A. Dominion Telecom, Inc.

Dominion Telecom, a wholly owned subsidiary of Dominion Fiber Ventures, is a Virginia public service corporation with its headquarters at 4355 Innslake Drive, Glen Allen,

Virginia 23060, (804) 819-2271. Dominion Telecom holds both domestic and foreign Section 214 authorizations from the Commission to provide domestic interstate and international telecommunications services under File No. ITC -214-20020730-00389 (Sept. 6, 2002).

Dominion Telecom currently provides facilities-based local exchange and interexchange telecommunications services to customers in the following states: Connecticut, Florida, Georgia, Illinois, Indiana, Maryland, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina and Virginia.

B. Dominion Fiber Ventures, LLC

Dominion Fiber Ventures is a Delaware limited liability company headquartered at 120 Tredegar Street, P.O. Box 26532 (23261), Richmond, Virginia 23219, (804) 819-2271. Dominion Fiber Ventures does not hold Section 214 authorizations.

C. Dominion Resources, Inc.

Dominion Resources, Inc. ("Dominion Resources") is the ultimate parent of Dominion Fiber Ventures and Dominion Telecom. It is a publicly held Virginia general business corporation with its headquarters at 120 Tredegar Street, Richmond, Virginia 23219, (804) 819-2271. Dominion Resources provides electricity, natural gas and related services to customers in the Midwest, Mid-Atlantic and Northeast regions of the United States. Dominion Resources is a registered holding company subject to regulation by the federal Securities and Exchange Commission pursuant to the Public Utility Holding Company Act of 1935, as amended.

D. Elantic Networks, Inc., Elantic Networks Merger Sub, Inc. and Cavalier Telephone, LLC

Elantic Networks and Merger Sub were recently formed for the explicit purpose of acquiring Dominion Telecom. Elantic Networks is a Delaware corporation headquartered at 2134 West Laburnum Avenue, Richmond, Virginia 23227, (804) 472-4517. Its investors are

M/C Venture Partners IV, L.P. (261 shares, 26.1%), Banc of America Capital Investors SBIC, L.P. (216 shares, 21.6%), BB&T Capital Partners, LLC (71 shares, 7.1%), M/C Venture Partners V, L.P. (376 shares, 37.6%), M/C Ventures Investors L.L.C. (43 shares, 4.3%) and Chestnut Street Partners, Inc. (33 shares, 3.3%). Elantic Networks has sufficient funding to complete the merger and for the initial working capital needs of Dominion Telecom

Merger Sub, a Virginia public service corporation which will be merged into Dominion Telecom, is a wholly owned subsidiary of Elantic Networks with the same headquarters address and phone number. As stated previously, Elantic Telecom will enter into an MSA with Cavalier for Cavalier to operate and manage the network. Cavalier is a subsidiary of Cavalier Telephone Corporation, whose majority owners are the principal investors in Elantic Networks. Therefore, the Cavalier companies and the Elantic companies effectively are under common control.

The Cavalier companies that will manage and operate Dominion Telecom's network possess the qualifications necessary to oversee the operations of Dominion Telecom. Cavalier's management and engineering team has over a century of experience in the telecommunications industry.

The Cavalier entities currently offer "plain old telephone service," digital subscriber line, and related telephone and data services in six jurisdictions: Virginia, Pennsylvania, Maryland, New Jersey, Delaware and the District of Columbia. The Cavalier entities rely on 850 employees to bring a wide array of telephone and data service offerings to over 200,000 access lines and over 150,000 business and residential customers. Cavalier also owns, operates, and maintains over 2,200 miles of fiber-optic network throughout its six-state footprint, and interconnects directly with several leading wireless carriers, several interexchange carriers, numerous competitive local exchange carriers, and the incumbent local exchange carrier

Cavalier is collocated in approximately 205 collocation sites throughout its footprint, as well as half dozen major carrier hotels. In addition, upon consummation of the merger, Cavalier will utilize Dominion Telecom's employees together with its own work force of over 850 employees to continue to bring quality service to Dominion Telecom's customers.

Cavalier's financial stability has rested largely on the experience of its principals, a close and long-standing relationship with the same investors funding Elantic Networks, and an aggressive approach to building and assembling its own fiber networks to avoid dependence on other entities for revenue. Currently, Cavalier has annualized revenues of \$192 million. Cavalier expects to continue to serve existing Dominion Telecom customers, to expand its service offerings to those customers, and to build on the customer base that Dominion Telecom has already started assembling.

III. DESCRIPTION OF MERGER

A. The Proposed Transaction

Applicants have proposed to complete a series of transactions whereby Elantic Telecom, formerly known as Dominion Telecom, will become a subsidiary of Elantic Networks. In particular, Applicants have proposed that a recently established merger subsidiary, Merger Sub, owned by Elantic Networks, will be merged with and into Dominion Telecom. Upon the merger, the separate existence of Merger Sub will cease and the name of the surviving corporation will be changed from Dominion Telecom to Elantic Telecom. In connection with the proposed merger, each share of stock of Dominion Telecom will be automatically converted into the right to receive certain consideration. Following the merger, Elantic Networks will own all of the stock of the surviving company.

B. Change in Control

The proposed merger will result in a change in ownership and control of Dominion Telecom but will not involve any immediate change in the manner in which Dominion Telecom provides service to its customers. Following the merger, the former Dominion Telecom entity will continue to employ a qualified team of managers, engineers and technical specialists for the provision of services to the public. The merger will have no immediate impact on customers in terms of services that they receive from Dominion Telecom and Dominion Telecom will continue honoring all commitments to its existing customers. Elantic Networks will take all proper and reasonable legal and regulatory steps in connection with the change of name from Dominion Telecom to Elantic Telecom, including appropriately informing Dominion Telecom customers of such change.

IV. PUBLIC INTEREST CONSIDERATIONS

Elantic Networks' acquisition of Dominion Telecom through the merger would serve the public interest by promoting competition among telecommunications providers. As a result of the merger, the Dominion Telecom entity would have access to the financial and operational resources required to strengthen its position in the telecommunications marketplace and meet its financial obligations. The proposed merger will ensure that Dominion Telecom will continue to have access to the financial resources it needs to expand and implement its business strategies while continuing to provide high quality services to existing customers. Moreover, the proposed merger will allow the Cavalier management team to be equipped to accelerate the growth of Dominion Telecom as a competitive telecommunications service provider. In sum, the proposed merger is expected to enhance the ability of Dominion Telecom to provide high quality

telecommunications services which should invigorate competition and thereby benefit consumers of telecommunications services.

V. INFORMATION REQUIRED BY SECTION 63.18

- (a) Name, address and telephone number

Dominion Fiber Ventures, LLC
120 Tredegar Street
P.O. Box 26532 (23261)
Richmond, Virginia 23219
(804) 819-2271

Dominion Telecom, Inc.
4355 Innslake Drive
Glen Allen, Virginia 23060
(804) 819-2271

Elantic Networks, Inc.
2134 West Laburnum Avenue
Richmond, Virginia 23227
(804) 422-4517

- (b) *Dominion Fiber Ventures is a limited liability company formed under the laws of the State of Delaware.*

Dominion Telecom is a State of Virginia public service corporation.

Elantic Networks is a corporation organized under the laws of the State of Delaware.

- (c) Correspondence concerning this Application should be sent to:

Charles Zdebski
Troutman Sanders LLP
401 Ninth Street, NW
Suite 1000
Washington, D.C. 20004-2134
(202) 274-2909 (Tel.)
(202) 654-5632 (Fax)
charles.zdebski@troutmansanders.com (E-Mail)

- (d) Dominion Telecom holds global authority to provide facilities-based and resold international services pursuant to Section 214 authority issued by the Commission in File No. ITC-214-20020730-00389.

By this Application, Applicants seek authority to transfer control of Dominion Telecom.

(f) Not applicable.

Not applicable.

Information concerning the ten percent (10%) or greater shareholders of Dominion Telecom is as follows:

Name:	Dominion Fiber Ventures, LLC
Address:	120 Tredegar Street Richmond, Virginia 23219
Citizenship:	U.S.A.
Percentage Owned:	100%
Principal Business:	Holding Company

Information concerning the ten percent (10%) or greater owners of Dominion Fiber Ventures is as follows:

The following entity owns Class A and Class B Member Interests in Dominion Fiber Ventures:

Name:	DT Services, Inc.
Address:	120 Tredegar Street Richmond, Virginia 23219
Citizenship:	U.S.A.
Percentage Owned:	76.6% (Class A); 100% voting rights; partial economic rights (Class B)
Principal Business:	Service Company

The following entity owns Class A and Class B Member Interests in Dominion Fiber Ventures:

Name:	DFV Capital Corporation
Address:	120 Tredegar Street Richmond, Virginia 23219
Citizenship:	U.S.A.
Percentage Owned:	23.4% (Class A); 0% voting rights (Class B); partial economic rights (Class B)
Principal Business:	Holding Company

The following entity owns 100% of DT Services, Inc. and DFV Capital Corporation:

Name: Dominion Resources, Inc.
Address: 120 Tredegar Street
Richmond, Virginia 23219
Citizenship: U.S.A.
Percentage Owned: 100%
Principal Business: Energy

Information concerning the ten (10%) or greater owners of Elantic Networks, Inc. is as follows:

The following entity owns 37.6% of Elantic Networks:

Name: M/C Venture Partners V, L.P.
Address: 75 State Street, Boston, MA 02109
Citizenship: U.S.A.
Percentage Owned: 37.6%
Principal Business: Investment Fund

The following entity owns 26.1% of Elantic Networks:

Name: M/C Venture Partners IV, L.P.
Address: 75 State Street, Boston, MA 02109
Citizenship: U.S.A.
Percentage Owned: 26.1%
Principal Business: Investment Fund

The following entity owns 21.6% of Elantic Networks:

Name: Banc of America Capital Investors SBIC, L.P.
Address: Bank of America Plaza
901 Main Street, 66th Floor
Dallas, Texas 75202
Citizenship: U.S.A.
Percentage Owned: 21.6%
Principal Business: Investment Fund

No Applicants will have any interlocking directorates with a foreign telecommunications carrier.

- (f) Applicants certify that they are not foreign carriers and that they are not currently affiliated with any foreign carrier.
- (g) Applicants certify that they do not seek to provide international telecommunications services to any destination country where

- (1) Applicants are a foreign carrier in that country; or
 - (2) Applicants control a foreign carrier in that country; or
 - (3) Any entity that owns more than 25 percent of Applicants, or that controls Applicants, controls a foreign carrier in that country; or
 - (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.
- (k) Not applicable.
- (l) Not applicable.
- Not applicable.

Applicants certify that they have not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's rules, directly or indirectly, from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and will not enter into such agreements in the future.

Applicants certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

Applicants request streamlined processing of this Application pursuant to Sections 63.03(b)(2)(i) and 63.12(a)-(b) of the Commission's rules. This Application qualifies for streamlined processing because, as set forth above, Applicants and their affiliates will hold less than a ten percent (10%) share of the interstate, interexchange market and none of the Applicants or their affiliates are dominant with respect to any telecommunications service. Furthermore, Applicants have no affiliation with a foreign carrier, have no affiliation with a dominant U.S. carrier whose international switched or private line services Applicants seek authority to resell, and do not seek authority to provide switch basic services over private lines to a country for which the Commission has not previously authorized the provision of such services.

VI. INFORMATION REQUIRED BY SECTION 63.04

- (1) The names, addresses and telephone numbers of the Applicants:

Dominion Fiber Ventures, LLC
120 Tredegar Street
P.O. Box 26532 (23261)
Richmond, Virginia 23219
(804) 819-2271

Dominion Telecom, Inc.
4355 Innslake Drive
Glen Allen, Virginia 23060
(804) 819-2271

Elantic Networks, Inc.
2134 West Laburnum Avenue
Richmond, Virginia 23227
(804) 472-4517

Jurisdiction of organization for each of the Applicants.

Dominion Fiber is a limited liability company formed under the laws of the State of Delaware.

Dominion Telecom is a State of Virginia public service corporation.

Elantic Networks is a corporation organized under the laws of the State of Delaware.

- (c) Correspondence concerning this Application should be sent to:

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Troutman Sanders LLP
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Washington, D.C. 20004-2134
(202) 274-2909 (Tel.)
(202) 654-5632 (Fax)
charles.zdebski@troutmansanders.com (E-Mail)

Complete information concerning the ten percent (10%) or greater shareholders of Applicants are provided in Section V.(h). above.

Applicants' certification is provided in Section V.(o). above.

- (6) A description of the merger is set forth in Section III above.
- (7) Dominion Telecom provides local exchange service and interexchange services on a multi-state basis.

(8) The Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because following the merger, Applicants and their affiliates will hold less than a ten percent (10%) share of the interstate, interexchange market and none of the Applicants or their affiliates is dominant with respect to any telecommunications service.

(9) Not applicable.

Applicants request expeditious processing of this Application to permit the proposed merger to be completed as rapidly as possible.

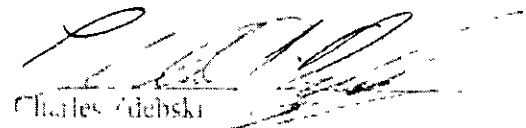
Not applicable.

A statement showing how grant of the Application will serve the public interest, convenience and necessity is provided in Section IV above.

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. In light of market conditions, Applicants respectfully request expeditious consideration of this Application to permit Applicants to consummate the merger by May 1, 2004.

Respectfully submitted,



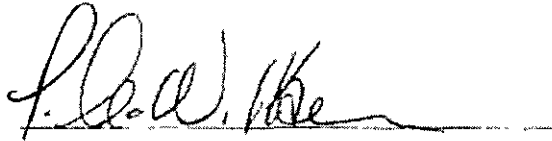
Charles Zdebski
Troutman Sanders LLP
401 Ninth Street, NW
Suite 1000
Washington, D.C. 20004-2134
(202) 274-2909 (Tel.)
(202) 654-5632 (Fax)
charles.zdebski@troutmansanders.com (E-Mail)

Counsel for Dominion Telecom, Inc. and
Dominion Fiber Ventures, LLC

Dated: March 16, 2004

VERIFICATION

I, Patricia A. Wilkerson, Vice President and Secretary of Dominion Fiber Ventures, LLC do solemnly swear that the facts stated in the foregoing Joint Application, insofar as it relates to Dominion Fiber Ventures, LLC, are true and correct to the best of my knowledge and belief, and that said statements of fact constitute a complete statement of the matters to which they relate.



Subscribed and sworn to before me this 16th day of March, 2004


Notary Public

My commission expires.

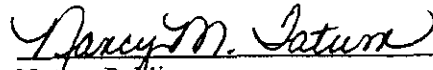
8-31-05

VERIFICATION

I, Patricia A. Wilkerson, Vice President and Secretary of Dominion Telecom, Inc. do solemnly swear that the facts stated in the foregoing Joint Application, insofar as it relates to Dominion Telecom, Inc., are true and correct to the best of my knowledge and belief, and that said statements of fact constitute a complete statement of the matters to which they relate.



Subscribed and sworn to before me this 16th day of March, 2004.




Notary Public

My commission expires:

8-31-05_____

VERIFICATION

I, Brad A. Evans, Chief Executive Officer of Elantic Networks, Inc. do solemnly swear that the facts stated in the foregoing Joint Application, insofar as they relate to Elantic Networks, Inc., are true and correct to the best of my knowledge and belief, and that said statements of fact constitute a complete statement of the matters to which they relate.



Subscribed and sworn to before me this 15th day of March, 2004.



Notary Public

I was commissioned as Allyson K. Bailey

My commission expires:

September 30, 2006